

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS PAFFORD TO INTERROGATORIES OF
UNITED PARCEL SERVICE
(UPS/USPS-T4-12 & 14)

The United States Postal Service hereby provides the responses of witness Pafford to the following interrogatories of United Parcel Service: UPS/USPS-T4-12 and 14, filed on April 4 and 5, 2000, respectively. Eerily, no interrogatory 13 was filed.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Kenneth N. Hollies

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April 18, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PAFFORD TO
INTERROGATORIES OF UNITED PARCEL SERVICE**

UPS/USPS-T4-12. Interrogatory UPS/USPS-T5-29 asked Mr. Hunter, among other things, to provide with respect to Tables 1-3 in his testimony (which include total estimates for Parcel Post, i.e., combining DRPW and BRPW data) estimates of FY1998 Parcel Post revenue, pieces, and weight broken out by inter-BMC, intra-BMC, and DBMC. Mr. Hunters response deals solely with BRPW results.

(a) Provide for that portion of the total estimates of Parcel Post revenue, pieces, and weight for FY 1998 that comes from the DRPW system a breakout of Parcel Post revenue, pieces, and weight by inter-BMC, intra-BMC, and DBMC.

(b) Provide for the total FY 1998 estimates of Parcel Post revenue, pieces, and weight a breakout of those estimates by inter-BMC, intra-BMC, and DBMC

RESPONSE:

(a) GFY 1998 DRPW estimates for Standard Mail (B) Parcel Post inter-BMC, intra-BMC, and DBMC are:

| Category | Revenue (000) * | Pieces (000) | Weight (000) |
|-----------|-----------------|--------------|--------------|
| Inter-BMC | 219,035 | 44,601 | 264,749 |
| Intra-BMC | 84,421 | 31,075 | 135,352 |
| DBMC | 5,319 | 2,092 | 11,152 |
| Total | 308,775 | 77,768 | 411,253 |

* Excludes an estimated \$271,000 for Combination Enclosure Revenue

(b) GFY 1998 Total estimates for Standard Mail (B) Parcel Post inter-BMC, intra-BMC, and DBMC are:

| Category | Revenue (000) * | Pieces (000) | Weight (000) |
|-----------|-----------------|--------------|--------------|
| Inter-BMC | 297,804 | 64,314 | 355,036 |
| Intra-BMC | 120,467 | 42,121 | 291,291 |
| DBMC | 529,403 | 209,713 | 1,201,281 |
| Total | 947,674 | 316,148 | 1,847,608 |

* Excludes an estimated \$271,000 for Combination Enclosure Revenue

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UPS/USPS-T4-14. Refer to your answer to UPS/USPS-T4-11(b)(i). In certain sections of the SAS code in LR-I-30 to which you there refer (see, for example, file APPENDXE.TXT), certain adjustment factors appear to have been replaced with "XXX."

For example:

```
IF MAIL-TYP='PI-FC-PRESORT' THEN DO;  
REVENUE=(REVENUE*X.XXXXXXXX); PIECES=(PIECES*X.XXXXXXXX);  
*FIRST CLASS PERMIT IMPRINT PRESORT;  
WEIGHT=(WEIGHT*X.XXXXXXXX); END;
```

Furthermore, sections of the code have been "commented out" (e.g., surrounded by "/*" and "*/" marks) in LR-I-30.

(a) Confirm that the SAS code filed in LR-I-30 is the complete, unaltered code as run by the Postal Service. If not confirmed, explain in full

(b) If sections of the SAS code in LR-I-30 have been commented out, please provide the full, unaltered SAS code, including but not limited to all relevant and necessary adjustment factors.

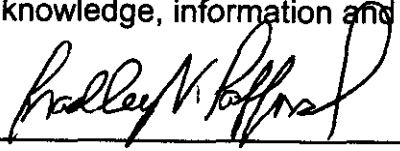
(c) Confirm that sections of the SAS code in LR-I-30 have been "commented out" (e.g., altered so as not to be submitted in the course of the program). If not confirmed, explain in full. If confirmed, explain why these sections are so altered, what led the programming to be changed, and what effect these sections of the code have on the program running and results.

RESPONSE:

(a - c) USPS-LR-I-30 documents the RPW Adjustment System using PQ 2 FY 1998 inputs and outputs. Except for parameter value changes for input and output data sets and the portions of the SAS code that are commented out (i.e., the SAS code between the front-markers "/*" and end-markers "*/"), the USPS-LR-I-30 system documentation is the production code for all PQ's that make up the GFY 1998 estimates. Generally, the code that is commented out would be uncommented for PQ 0 and PQ 5 estimates, and numbers inserted where the current "XXXX" values are shown.

DECLARATION

I, Bradley V. Pafford, hereby declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information and belief.


A handwritten signature in dark ink, appearing to read "Bradley V. Pafford", written over a horizontal line.

Bradley V. Pafford

Date: 4/18/02

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

for 
Kenneth N. Hollies

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